Volume 13 No. 7, March 15, 2007

JOINT MILK CONTROL BOARD/DAIRY FARMERS OF SASKATCHEWAN PRODUCER MEETINGS

The Board and DFS are pleased to announce that they will once again hold the next session of producer meetings as a joint effort. Please plan to attend. The schedule of meetings and a proposed agenda follow on pages 8 & 9.

QUOTA EXCHANGE

The seventh butterfat Quota Exchange of the 2006-2007 dairy year was conducted on March 15, 2007. The market-clearing price established for unused quota was **$70.00**. There was no market-clearing price established for used quota. The results of the March 2007 Quota Exchange are outlined in the following Tables.

The next monthly Quota Exchange for the 2006-2007 dairy year will be held on April 16, 2007. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the Board office by midnight, April 6, 2007. The Board recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange.

Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange.

The clearing price is established at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase. To determine the clearing price of Total Production Quota, the bids to buy may be adjusted to five percent of annual production quota issued. This is necessary to avoid price distortion from excessively large bids.

TABLE I

UNUSED QUOTA EXCHANGE (per kilogram of butterfat)

Market Clearing Price per kilogram of butterfat	**$70.00**
Kilograms offered to Purchase – total	**260**
Kilograms offered to purchase at 5% adjustment	
Kilograms offered to Sell	**1,790**
Kilograms sold	**260**
Number of Producers	
- offered to purchase	**1**
- purchased quota	**1**
- offered to sell	**4**
- sold quota	**2**

UNUSED QUOTA EXCHANGE

Price ($/kg b.f.)	No. of Sellers	Cumulative Sellers	Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Kgs b.f. offered to purchase	Cumulative Buyers	No. of buyers
$70.00	**2**	**2**	**400**	**400**	**140**	**260**	**0**	**1**	**0**
$72.00	2	4	1,390	1,790	1,530	260	0	1	0
$75.00	0	4	0	1,790	1,530	260	260	1	1

TABLE II

USED QUOTA EXCHANGE (per kilogram of butterfat)

Market Clearing Price per kilogram of butterfat	**-----**
Kilograms offered to Purchase – total	**880**
Kilograms offered to Sell	**16,025**
Kilograms sold	**0**
Number of Producers	
- offered to purchase	**1**
- purchased quota	**0**
- offered to sell	**6**
- sold quota	**0**

USED QUOTA EXCHANGE

Price ($/kg b.f.)	No. of Sellers	Cumulative Sellers	Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Kgs b.f. offered to purchase	Cumulative Buyers	No. of buyers
$60.00	0	0	0	0	-880	880	880	1	1
$62.00	2	2	900	900	900	0	0	0	0
$65.00	3	5	1,625	2,525	2,525	0	0	0	0
$70.00	1	6	13,500	16,025	16,025	0	0	0	0

QUOTA SWAP EXCHANGE

The seventh Quota Swap Exchange of the 2006-2007 Dairy Year was conducted on March 15, 2007. There was no market-clearing price established (Table III).

The next monthly Quota Swap Exchange will be held on April 16, 2007. All offers to swap quota through the Quota Exchange must be received at the Board office by midnight, April 6, 2007. The Board recommends that offers and bids to swap be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

Just a reminder to producers that when making bids on the Quota Swap Exchange, the price on offers to swap out unused quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Quota Swap Exchange.

Conversely, the price on offers to swap in unused quota is the maximum price that the producer is prepared to pay for that quota. Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Quota Swap Exchange.

The clearing price is established at the price where the smallest difference exists between the accumulated volume offered to swap out and the accumulated volume offered to swap-in.

TABLE III

QUOTA SWAP EXCHANGE (per kilogram of butterfat)

Market Clearing Price per kilogram of butterfat	**$——**
Kilograms offered to swap in	**——**
Kilograms offered to swap out	**——**
Kilograms swapped	**——**
Number of Producers	
- offered to swap in	**—**
- swapped in quota	**—**
- offered to swap out	**—**
- swapped out quota	**—**

SASKATCHEWAN MILK POOL RESULTS February 2007

TABLE IV

Milk Sale Revenue	$ 12,329,177.93
Western Milk Pool	$ -179,887.80
Dairy Farmers of Canada Skim Off	$ - 20,602.89
Plant of Last Resort Service	$ -56,493.93
Total Pool Value	**$ 12,072,193.31**

BUTTERFAT PRODUCTION AND COMPONENT PRICING, February 2007

Butterfat production for February 2007 totalled approximately 645,502 kilograms. This was approximately 0.04% lower than February 2006 shipments. **For the first seven months of the 2006-2007 dairy year, Saskatchewan's allocation of Total Production Quota totalled approximately 4,805,843 kilograms. For the first seven months, the province has shipped 97.64% of that amount.** The weighted average component tests and prices for the province in February are indicated in Table V.

TABLE V

Components	Average Test	Price per kilogram Class 1 to 5
Butterfat	3.7755	$10.452779
Protein	3.3432	$ 7.452779
Other Solids (S.N.F.)	5.7123	$ 1.090443

Based on the average component tests for the province, the average price received was $70.6087 per hectolitre. The average butterfat price received per kilogram was $18.70.

Over quota (4m) holdings are $1,035,078 for the first seven months of the 2006/2007 dairy year.

ACCOUNTING VALUES FOR CLASSES OF MILK – March 2007

TABLE VI

	Butterfat ($/kg)	**($ per hl. Skim milk)**	
Class 1a	$5.3000	$54.53	
Class 1b	$5.3000	$54.53	
Class 1c	$5.3000	$44.50	
	Butterfat ($/kg)	**Protein ($/kg)**	**Other Solids ($/kg)**
Class 2	$7.2333	$5.4013	$5.4013
Class 3a	$7.2333	$12.6330	$0.8428
Class 3b	$7.2333	$12.4025	$0.8428
Class 4a, 4b, 4d & 4d(i)	$7.2333	$5.0219	$5.0219
Class 4a(i)	$7.2333	$1.7000	$1.7000
Class 4c	$7.2333	$4.3370	$4.3370
Class 4m	$0.00	$0.00	$0.00
Class 5a	$3.3724	$5.8925	$0.8514
Class 5b	$3.3724	$2.3809	$2.3809
Class 5c	$3.3740	$2.0000	$2.0000
Class 5d	**As determined by**	**the CDC**	

Western Canadian
LIVESTOCK
EXPO

You are cordially invited to attend 2007 Western Canadian Livestock Expo complimentary ***FARMYARD LUNCH*** *sponsored by* Dairy Farmers of Saskatchewan, Farm Credit Canada, Co-op Feeds, Catons and FeedRite.

Schedule of Events

Wednesday April 25

7:00 a.m. – 8:30 a.m.	Exhibitor Breakfast
10:00 a.m.	Youth Dairy Show
11:00 a.m. – 1:00 p.m.	Farmyard Lunch
1:30 p.m.	Sale, contact Rod York (306) 873-7428 for information

Thursday, April 26

7:00 a.m. – 8:30 a.m.	Exhibitor Breakfast
8:00 a.m.	Holstein & Jersey Junior Heifer show
12:00 p.m.	Holstein & Jersey Shows – featuring the Super Cow competition

Trade Show Hours
Wednesday, April 25 from 10:00 a.m. to 5:00 p.m.
Thursday, April 26 from 9:00 a.m. to 5:00 p.m.

For information, prize list and entry forms online visit: www.saskatoonex.com or phone 931-7149 or 1-888-931-9333.

QUOTA MANAGEMENT PROFILE

Please find enclosed your quota management profile for February, 2007. This profile indicates the percentage of each producer's quota allocation utilized as well as the kilograms of butterfat produced by these shipments.

For the 2006-2007 dairy year, the Board will continue to provide this information on a monthly basis. We hope this information will assist producers with their management decisions regarding the utilization of their butterfat quota. Again, we will use actual figures where possible, and estimates for the balance of the dairy year. These estimates will use butterfat average for the past five dairy years and your production figures for the past dairy year.

If you have any questions concerning the information provided, please contact our office.

QUOTA LISTING SERVICE

The Board offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows, or swap quota is welcome to contact the Board office at (306) 787-5319. All prices and negotiations will be independent of the Milk Control Board.

Want to swap used for unused quota (swap in)

- Mike Stiefel approximately 1000-2000 kgs (306) 771-4777
- Ken Ferch (306) 736-2205
- David @ Earview Colony (306) 672-3516
- Levi @ Bench Colony (306) 297-3270
- Ken (306) 229-4591 or Ed (306) 227-9432
- Keith Thoner (306) 259-2171
- Stan Sinclair or Jayden (306) 332-4220
- Dan @ Pennant Colony (306) 626-3215 Ext. 260 or Ext. 223
- Danny Hofer approximately 200 kilograms (403) 502-9997
- Joe – West Bench Colony (306) 295-4135
- Alvin Schultz (306) 254-4301
- Mike @ Webb Colony (306) 674-2236
- Roger Genoway (306) 593-2289

Want to swap unused for used quota (swap out)

- Jim Gorrill (306) 725-4828
- James Hein (306) 365-3209

For Sale

- Quota for sale – contact Murray Lockert @ (306) 762-2102.

- Alfalfa hay bales 1,400 pounds – young crop. Hay located in Tessier, Saskatchewan. Contact Carol Robbins (403) 859-2097

- 10 Registered Holstein heifers due October/November. Contact Mark Johnson, Strasbourg (306) 725-4042

- Complete dairy farm, machinery, 16,309 kilograms of quota and 80 cows. Will consider selling only cows and quota. Phone (306) 795-2976

- 2006 first cut alfalfa – 400 round bales 1500 -1600 pounds each. Feed tests available. Also, first cut alfalfa grass – 400 round bales 1500 -1600 pounds each. Feed tests available. Delivery available. Contact Ray Kostiuk @ (306) 595-4663.

- 21,114 kilograms of quota, with or without cows. Phone (306) 764-7865 or (306) 764-1017.

- Bred heifers for sale. Contact Chad or Dennis @ (306) 598-2054.

- 300 second cut round alfalfa bales 19.4% protein. $60/tonne. Have feed tests available. Can arrange delivery. Contact Bob Tweedie (306) 493-2716. Delisle, Saskatchewan.

- 15,000 kilograms used quota for sale. Contact Ken Ferch @ (306) 736-2205

- Hay for Sale – 250 round, 90% alfalfa, 10% Italian rye, 1st and 2nd cut, from irrigated land. 133 – 138 RFV. Call Ray at (306) 858-2636.

Looking for work on dairy farm

Young BC couple seek work together on dairy farm. Have experience and will consider all options. Call (250) 337-5595 or email angus.l.e.halliday@hotmail.com

Wanted to Rent

- Wanted to rent, as soon as possible, dairy farm in good operating condition, preferably around the Saskatoon area. Free stall barn and parlour for 60 – 100 cows needed. Please phone: (604) 820-2387 or fax: (604) 826-1254.

Partnership

- Looking for a person to form a dairy farm partnership. Must have some financial resources to make a 50/50 or 40/60 or similar partnership. Will consider investing in an existing farm operation. Please call (604) 826-5184.

MILK CONTROL BOARD MEMBERS

Leonard Blocka, Chairman	Dairy producer
Dr. David Christensen	Dairy researcher/professor U of S
Joseph Guenther	Dairy producer
David Finlay	Dairy producer
Garf Stevenson	Consumer representative
Joanne Mortenson	Processor representative

For further information, please contact the Saskatchewan Milk Control Board office.

1210-2500 Victoria Avenue Telephone (306) 787-5319
Regina, Saskatchewan S4P 3X2 Fax: (306) 787-1988

Website: www.saskmilkcontrolboard.ca email: milk.control.board@sasktel.net

NOTICE OF MEETINGS
SPONSORED BY
THE SASKATCHEWAN MILK CONTROL BOARD
AND DAIRY FARMERS OF SASKATCHEWAN
MARCH 22 – MARCH 30, 2007

JOINT MEETING AGENDA

1. Registration – 9:45 a.m. (Saskatoon meeting 9:15 a.m.)
2. Update: Markets and Production – Milk Control Board
3. Milk Control Board Policy – 2006-2007 Dairy Year
4. Dairy Farmers of Saskatchewan Update – Albert Leyenhorst and Wendy Kelly
5. Dairy Farmers of Saskatchewan Director Candidates
6. Question Period
7. Other Business
8. Adjourn

Lunch will be served at 12 noon at all meetings.

SCHEDULE OF MEETINGS

DATE	TIME	DISTRICT	LOCATION
Thursday, March 22	10:00 a.m.	Yorkton	St. Mary's Parish, Ukrainian Catholic Cultural Center 240 Wellington St. Yorkton
Friday, March 23	10:00 a.m.	Swift Current	F.O.A. Eagles 1910 S. Service Rd. W. Swift Current
Wednesday, March 28	10:00 a.m.	Francis	Francis Hall, Francis
Thursday, March 29	10:00 a.m.	Saskatoon	Hilton Garden Inn Commonwealth Room 90-22nd Street East Saskatoon
Friday, March 30	10:00 a.m.	Melfort	Travelodge 101 Spruce Haven Road Melfort